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FISCAL IMPACT STATEMENT

LS 6683

BILL NUMBER: HB 1377

NOTE PREPARED: Dec 26, 2012

BILL AMENDED:

SUBJECT: Transfer of School Property.

FIRST AUTHOR: Rep. Pelath

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that a vacant or unused school building may be sold or otherwise disposed of without having to be made available to a charter school for four years if the vacant or unused school building will be used by a local governmental entity.

Effective Date: July 1, 2013.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Under the bill, a school corporation may sell or dispose of a closed, unused, or unoccupied school building without including the school building on the Unused School Building List, if the school building will be used by a local governmental entity.

This provision of the bill could potentially increase expenditures by charter schools for buildings if the number of unused school buildings available for lease or purchase by charter schools is reduced. The impact is likely to be minimal since a school building sold or disposed on the provision must be used by a local governmental entity. The increase in expenditures of charter schools could potentially be offset by possible savings to local governmental entities that acquire unused school buildings.

Background: The current unused school building report has 14 school corporations listing 37 unused school

buildings. Currently, a school corporation is required to lease a school building on the State Unused School Building List for \$1 per year. The charter school is responsible for the maintenance of the building.

Explanation of Local Revenues: The bill could increase the revenue for local schools depending on the number of buildings school corporations are able to sell under the bill and depending on the selling price of those buildings.

State Agencies Affected:

Local Agencies Affected: Local school corporations; Charter schools.

Information Sources: Department of Education Charter School Website,
<http://www.doe.in.gov/student-services/charter-schools>

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